Re: OFHPA

From: "Imbrogno, Serge (ENERGY)" <"/o=govon/ou=ontario public sector - iserv ems/cn=recipients/cn=imbrognose">
To: "Calwell, Carolyn (ENERGY/MEDEI/MRI)" <carolyn.calwell@ontario.ca>
Cc: "Schlaepfer, Martin (ENERGY)" <martin.schlaepfer@ontario.ca>
Date: Fri, 28 Apr 2017 10:55:51 -0400

Looks like it does. We'll share.

Sent from my iPad

On Apr 28, 2017, at 10:54 AM, Calwell, Carolyn (ENERGY/MEDEI/MRI) <Carolyn.Calwell@ontario.ca> wrote:

This is the proposal for #2. Does that meet the CoS' need?

Subsequent adjustments

7xx. (1) Subject to subsection (2), the Lieutenant Governor in Council may prescribe the methodology to be applied by the Board to determine rates for electricity payable by prescribed classes of specified consumers after April 30, 2018.

Limitation, adjustments after April 30, 2021

(2) Any prescribed methodology to be applied in respect of a reference period after April 30, 2021 shall have regard to the following:

1. The fair allocation amount in respect of the reference period.

2. Any clean energy adjustments payable in respect of the reference period.

3. Such other matters as may be prescribed.

From: Teliszewsky, Andrew (ENERGY)
Sent: April-28-17 10:47 AM
To: Schlaepfer, Martin (ENERGY); Baker, Carys (ENERGY); Calwell, Carolyn (ENERGY/MEDEI/MRI)
Cc: Imbrogno, Serge (ENERGY); Whittington, Matt (ENERGY)

Subject: Re: OFHPA

Good Morning:

#1 - agreed.

#2 - we still would see in Legislation the reference to "1 July 2021" as per my conversation with PO/SoC yesterday morning to refine our approach to the "4 year window". IE. For greater clarity, if that date is hard-code in law, then it gives the effect of three "periods" via other means?

Thoughts?

Andrew

Andrew,

Legal would like to run a last few points to ground on the bil:

1) We show April 30, 2047 as an end date for the program in the definition of “reference period”. We think it may be helpful to be able to push costs even further into the future. I would propose something along the lines of: “reference period” means (b) during the period beginning on November 1, 2017 and ending on April 30, 2047, unless otherwise prescribed (i) every six month period….

2) We had originally structured rates around 3 periods – this year, when rates go down by 25%; the next 4 years, when rates are held to CPI; and after 2021, when the commitment to hold rates to CPI ends. Our current drafting shows only 2 periods - this year, when rates go down by 25%; and after this year, when the Board will set rates in accordance with a methodology prescribed in a reg by the LGIC, having regard to the fair allocation, any clean energy adjustments and any other matter prescribed. This allows us to hold to CPI in the 1st 4 years, but it doesn’t single out this period. I just want to make sure that this approach is palatable.

Please let me know if you have any concerns.

We need our last instructions in by about noon.

Thanks,

Martin